GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:2659
ANSWERED ON:01.08.2002
VRS IN BSCL
MAHBOOB ZAHEDI

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the BSCL recently allowed to its existing employees in various units to go in for VRS on payment of 100% benefit which covers effect on settlement of charter of demands due from 1995;

(b) if so, the details thereof;

(c) whether the employees who were in service during 1995 and onwards and since superannuated, are entitled to get the benefits of the settlement on C.O.D. due from 1995; and

(d) if not, the justification given by the BSCL in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAI KATHIRIA)

(a) Burn Standard Company Limited (BSCL) vide their circular dated 7.12.2001 allowed its employees to avail the benefit of increased ex-gratia payment of 100% only for the employees who were opting for VRS and whose pay scales had not been revised since 1.1.1987.

(b) A copy of the BSCL`s circular dated 7.12.2001 is annexed.

(c) &(d): The benefits of increased ex-gratia is available only to employees availing VRS and not to normal retirees.The payment of additional 100% ex-gratia to the VR optees encourage the existing employees to avail themselves of the benefits of Voluntary Retirement Scheme.The Voluntary Retirement Scheme having no connection with settlement of C.O.D., the employees who superannuated after the year 1995 are not entitled to the benefit under this scheme.

Annexure referred to in reply to part (b) of the Unstarred Question No.2659 for 1.8.2002 regarding VRS in BSCL raised by Shri Mahboob Zahedi.
Copy of BSCL`s Circular No. Ref.PSL/VRS/777 Dt.07.12.2001 NOTICE
In order to provide opportunity to the employees of all Units/Offices of Burn Standard Company Limited, the following Voluntary Retirement Schemes as modified are hereby reopened with the following benefits which shall remain in operation till 31st December,2001.

1. The option of the Gujarat or DHI Pattern shall be available to an employee whose voluntary retirement is accepted.
A. Voluntary Retirement Scheme on Gujarat Pattern (Option I)
(a) One month`s /three months` Notice Pay as per terms of appointment applicable in each case which shall include Basic Pay & DA only. No other allowance or benefit will be counted for this purpose.

(b) Cash value of unavailed Privilege Leave/Earned leave to the extent such leave can be accumulated in terms of the rules.

(c) Cash value of unavailed Casual Leave pro-rata till the date of separation under this Scheme.

(d) Payment of full share of employer`s contribution to the Provident Fund along with the employees`s own share including interest on total accumulation.

(e) Gratuity as admissible under the Payment of Gratuity Act,1972.

(f) In addition, an employee whose request of voluntary retirement is accepted, shall also be entitled to a compensation, which will consist of salary (Basic +DA) of 35 days for every completed year of service and 25 days for each balance year of service left until superannuation at the age of 58 years. The compensation will be subject to minimum of Rs.25000/- or 250 days` salary, whichever is higher. However, this compensation including Notice Pay shall not exceed the sum of the salary that the employee would draw at the prevailing level for the balance of the period left before the age of superannuation.

(g) In addition, the employee and his family would also be entitled to travel by the entitled class to the place where he intends settling down. Entitlement will include transportation cost of personal effects as may be admissible in the case of superannuation/retirement.

The employee will not be eligible to claim any other compensation/benefit in any form whatsoever arising out of such retirement.

(B) Voluntary Retirement Scheme on DHI Pattern (Option II)

(a) One month`s/three months` Notice Pay as per terms of appointment applicable in each case which shall include Basic Pay & DA only. No other allowance or benefit will be counted for this purpose.

(b) Cash value of unavailed Privilege Leave/Earned Leave to the extent such leave can be accumulated in terms of the rules.

(c) Payment of full share of employers contribution to the Provident Fund along with the employee`s own share including interest on total accumulation.

(d) Gratuity as admissible under the Payment of Gratuity Act,1972.

(e) In addition, an employee whose request for voluntary retirement is accepted, would be entitled to an ex-gratia payment equivalent to 45 days` emoluments (Basic Pay + DA) for each completed year of service or the monthly emoluments at the time of retirement on attaining 58 years of age multiplied by the balance months of service left before normal date of retirement, whichever is less.
All those who have completed not less than 30 years of service, will be eligible for a maximum of 60 (sixty) months` salary/wage as compensation. This will be subject to the amount not exceeding the salary/wage including notice pay for the balance period of service left at the rate of monthly salary/wage at the time of voluntary retirement.

(f) In addition, the employee and his family would also be entitled to travel by the entitled class to the place where he intends settling down. Entitlement will include transportation cost of personal effects as may be admissible in the case of superannuation/retirement.
The employee will not be eligible to claim any other compensation/benefit in any form whatsoever arising out of such retirement.
2. The salary/wage for VRS under both the above options shall be calculated on the basis of 30 days in a month and not 26 days. Consequently the method of calculations of Ex-gratia for both the schemes shall be similar.

3. Ex-gratia payment in respect of employees on pay scales at 01.01.87 and 01.01.92 levels, computed on their existing pay scales in accordance with the extant Scheme, shall be increased by 100% and 50% respectively.

4. An eligible employee, desiring to opt under this Scheme may submit his application in Form A for voluntary retirement to the Competent Authority through proper channel.

5. The Company however, reserves the right to withdraw, alter and/or amend any of the conditions of the Scheme at any time, at its discretion without assigning any reason whatsoever as also to accept or reject any application. 6. The Competent Authority for accepting the offers of voluntary retirement shall be the Managing Director in all cases.

7 Clarification given in DPE`s OM No.2(32)97-DPE(WC)GL-XXXV dated 08.12.2000 stands modified in consequence of th foregoing.

8. The employees who have already been released by the Company before the date of issue of this notice, shall not be covered under the modified scheme.

9. Once an employee avails himself of voluntary retirement from the Company, he shall not be allowed to take up employment in another PSU. If he desires to do so, he shall have to return the VRS compensation received by him to the PSU concerned.Where the compensation was paid out of a Government grant the PSU concerned shall remit the refunded amount to the Government. In case the PSU is already closed/merged, the VR compensation shall be returned directly to the Government. 10. All other provisions of the DPE guidelines dated 05.05.2000 are to continue.